

PENNSYLVANIA HOUSING FINANCE AGENCY
Homeowners' Emergency Mortgage Assistance Loan Program

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FILED Wilkes-Barre, PA.
March 18, 2020
Clerk, U.S. Bankruptcy Court

March 14, 2020

Wayne Little
110 Snowshoe Court
Dingmans Ferry, PA 18328

RE: NOTICE OF DECISION OF HEARING EXAMINER

Dear Mr. Little:

On January 15, 2020 the Pennsylvania Housing Finance Agency issued a Notice of Adverse Action and a denial of your request for a mortgage assistance loan pursuant to the provisions of Act 91 of 1983. On January 27, 2020 the Agency was in receipt of your request for an appeal from its decision and an opportunity for a hearing to contest the Agency's denial of a mortgage assistance loan.

A hearing was held on February 20, 2020 at which time you had an opportunity to discuss your situation before a Hearing Examiner. The Hearing Examiner's decision is as follows:

The Appellant's application for an emergency mortgage assistance loan was initially denied on the following grounds:

1. Property securing mortgage is not a one- or two-family owner-occupied residence based on: Applicant is not a mortgagor. (Act 91, Section 404-C(A)).
2. Repayment of mortgage assistance loan must be secured by a mortgage lien on the property and by such other obligations as the Agency may require based on: Not all heirs are applicants. (Act 91, Section 404-C(A)).

Pursuant to a review of the file in conjunction with information obtained during the course of the appeal hearing, the following facts were established:

The deed to the subject property was conveyed from Lois K. Little, Administrator to the Estate of Audrey E. Doyle to Wayne G. Little and Lois K. Little on December 19, 2003 for the consideration of \$1.

According to the testimony, Audrey Doyle originally purchased the subject property for Lois Little and Wayne Little. Audrey Doyle was the mother of Lois Little. Audrey Doyle passed away on May 29, 2002.

After Audrey Doyle passed away, Lois Little, the wife of Wayne Little, became the Administrator of her mother's estate. However, Lois Little passed away on April 3, 2017. Wayne Little was granted Letters of Administration on the estate of Lois Kathleen Little on June 25, 2019.

The subject property secures a mortgage held by Midland Mortgage in the amount of \$44,000. According to information on record, Audrey Doyle was the sole mortgagor/borrower on this mortgage. According to the testimony, Audrey Doyle purchased the property in 1998; however, the subject property was never her residence. Mr. Little stated that he and his wife maintained the mortgage payments from origination until Lois Little passed away in April 2017.

According to information submitted to the record, Wayne Little has become a confirmed Successor in Interest on the Midland mortgage. A Simple Assumption Agreement was signed by Wayne Little on September 4, 2019. However, according to Mr. Little, the final step of the assumption will not occur until the delinquency is satisfied. Mr. Little stated that as part of the assumption process he is required to bring the delinquent payments current. According to Mr. Little, he is unable to satisfy the current delinquency with his own resources. Therefore, he applied to the Homeowners' Emergency Mortgage Assistance Program to obtain the assistance/loan to satisfy the delinquency which would then allow Midland Mortgage to complete the final step in the assumption process and make him the mortgagor/borrower of record.

The Act 91 Notice dated November 8, 2018 reports the monthly payments due for September 1, 2018. Mr. Little reported the payments due for May 2018. However, information submitted to the record exhibits that the last payment was posted to the account on August 20, 2018. Therefore, it appears that the payments remain due for September 1, 2018, or 19 months through March 2020.

The subject property also secures a second mortgage held by NBT Bank in the amount of \$41,000. According to the applicant, this mortgage originated in 2006 when he co-signed the loan for a family member. Mr. Little stated that the family member has been maintaining the monthly payments. According to information submitted to the record, it appears that the payments are current. This mortgage will mature on August 20, 2021.

According to Mr. Little, he currently has no funds saved that could be applied toward the mortgage delinquency, but can resume the full monthly mortgage payments immediately.

The foregoing findings of fact exhibit the subject property secures a mortgage held by Midland Mortgage in the amount of \$44,000. According to information on record, Audrey Doyle was the sole mortgagor/borrower on this mortgage. Wayne Little submitted information to the record exhibiting that he has become a confirmed Successor in Interest on the mortgage. A Simple Assumption Agreement was also signed by Wayne Little on

September 4, 2019. However, according to Mr. Little, as a condition of the assumption process he is required to bring the delinquent payments current before the final step of the assumption will occur. Therefore, it appears that the lender may be willing to allow Mr. Little to assume the mortgage and become the mortgagor/borrower of record once the delinquent payments are satisfied. However, since Mr. Little does not have the resources to satisfy the delinquent payments on his own, he has applied for a loan with the Homeowners' Emergency Mortgage Assistance Program to secure the funds to satisfy the delinquency. Therefore, in view of the record at this time, a mortgage assistance loan should not be denied on the basis that the applicant is not the mortgagor.

Additionally, the deed to the subject property was conveyed from Lois K. Little, Administrator to the Estate of Audrey E. Doyle to Wayne G. Little and Lois K. Little on December 19, 2003 for the consideration of \$1. Lois Little passed away on April 3, 2017 without a will. Her husband, Wayne Little, was granted Letters of Administration on her estate on June 25, 2019. Although Lois Little passed away without a will, her husband is an owner of record which creates presumption of tenants by the entireties/survivorship. In this context, a mortgage assistance loan should not be denied at this time solely on the basis that all heirs are not applicants.

However, based on the information on record, the application requires further review to determine the applicant's eligibility for a mortgage assistance loan. It should be noted for the record that upon further review, the applicant may be required to provide additional documentation/verification pursuant to the initial reasons for denial. Failure to provide the required documentation/verification could result in the denial of a mortgage assistance loan on the bases listed herein above.

It is hereby ordered that the Pennsylvania Housing Finance Agency, Homeowners' Emergency Mortgage Assistance Program's decision of January 15, 2020 is remanded to the loan evaluation staff of the Homeowners' Emergency Mortgage Assistance Program for further review.

Sincerely,



Resa Kepner
Hearing Examiner

DECISION MAILED: March 14, 2020

cc: file/rpk
decision file

Cindy Boyle

From: pambml_automation@pamb.uscourts.gov on behalf of PAMB <rick_thompson@pamb.uscourts.gov>
Sent: Wednesday, March 18, 2020 4:59 PM
To: PAMBml_fax
Subject: EDSS filing from Wayne Gregory Little for on Wednesday, March 18, 2020 - 16:59

Submitted on Wednesday, March 18, 2020 - 16:59 Submitted by user: Anonymous Submitted values are:

Filer's Name: Wayne Gregory Little

Debtor's name (if different):

Filer's EMail Address: grease_monkey18328@yahoo.com Filer's Phone Number: 570-8011473

Case number (if known): 5:20-bk-00023-RNO

==Documents==

Document (PDF format only)*:

<http://www.pamb.uscourts.gov/sites/default/files/webform/edss/Pennsylvania%20Housing%20Finance%20Agency.pdf>

Document description: Notice of Decision of Haring Examiner-Pennsylvania Housing Finance Agency(PHFA)

==More Documents==

Document 2 (PDF format only)*:

Document 2 description:

Document 3 (PDF format only)*:

Document 3 description:

Document 4 (PDF format only)*:

Document 4 description:

Document 5 (PDF format only)*:

Document 5 description:

By entering my name in the box below, I affirm that I am intending to sign this form with my signature and consent to use this electronic form.: Wayne Gregory Little